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Tab A

Summary of Views of Principal Speakers at  
the National Military - Industrial Conference,  
Grand Hilton Hotel, Chicago, Ill., 17-19 Feb. 1958

Senator Henry M. Jackson

Soviets out to take industrial lead from the U.S., and may do so, because Soviet gross national product is increasing at 6% compared to 3% in the U.S. USSR military spending will surpass that of the U.S. Advised: (1) Increasing defense budget by \$4 - \$5 billions in FY '59; (2) increasing rate of industrial growth by full use of resources; (3) step-up in education; (4) establishment of National Projects Laboratory responsible to the President to push scientific projects; and making of NATO more than a military alliance.

Major Gen. Max Johnson, Commandant, Army War College

He made a strong plea for the development of an integrated national strategy, encompassing military, economic, political, and psychological-sociological goals. This, he recommended, should be done by a privately supported Foundation for National Strategy.

Dr. Robert Strausz-Mape, University of Pennsylvania

World environment in which U.S. policy must be set, viewed in terms of global geography, shows U.S. as an island power. Little free world area left on the periphery of the Euro-Asian land mass; geographic base of power now favors the Soviet Union.

Dr. Harrison Tryptan, National Research Council

Brought out the familiar facts about Soviet scientific and technical manpower; stressed importance of science as a factor in national strategy. Pointed out serious long-run implications of U.S. low paid teaching system, particularly at the secondary school level.

Alexander P. De Severaky, Aeronautical Consultant

Believes it to be inconceivable that the free world can live peacefully with the Sino-Soviet Bloc; does not believe in the "nuclear stalemate" thesis. Believes we are three years behind Soviets in air-missile race. Doesn't think that "limited

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war" concept is sound, views NATO as a "mustard plaster in the anatomy of the Russian bear." Future attack unlikely to achieve surprise, therefore, defense systems hold the key. Create one service, an air service, and repeal unification act.

Dr. Werner Von Braun, Army Ballistic Missile Agency

Stressed point that we were several years behind the Soviets in ICBM - space vehicle development; warned that it would take several years of strenuous effort to catch up and several more to forge ahead. Cited experience under Hitler to disprove thought that scientists cannot work productively under a dictatorship. Freedom by itself is not enough, it depends on what is done with freedom. Don't count on Russians falling apart in science because men learn to live under constraints.

Dr. A. H. Jackson, Socony Mobil Oil Company

U.S. needs a new international economy strategy because the days of raw material self-sufficiency have ended. Pointed to iron ore, petroleum, non-ferrous metals. Suggests "open door" policy for trade, examination of tariffs and import restrictions (many of which make no sense), establishment of favorable atmosphere in underdeveloped areas for private investment.

Dr. Robert Johnson, President, Temple University

Improvement in U.S. weaponry and education important, but are not enough. We must compete in the struggle for men's minds, but Communists spend \$5 billions on propaganda and psychological warfare while U.S. spends less than \$100 millions. Advocates greatly expanded program, particularly in exchange area with the USSR and European satellites.

Dr. John F. Metallate, President, Illinois Institute of Technology

Recommended on behalf of a conference panel: (1) strengthening of education at all levels; (2) development of an integrated national strategy; and (3) setting up a national research center.

Dr. Walter Williams, Undersecretary of Commerce

Remarks largely confined to Dept. of Commerce services to national defense.

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Mr. Robert L. Garner, President, International Finance Corporation

Believes widespread U.S. aid programs have not succeeded in creating staunch friends or allies. People normally inoculated against Communism by (1) religion, (2) long contact with the Soviets, or (3) supra-nationalism. Most underdeveloped countries, unfortunately, have known Western rule rather than Soviet rule. These countries represent enormous potential sources of raw materials and markets. Suggested a number of steps which would improve private investment abroad, such as tax concessions.

Mr. H. D. Sprague, Ass't. Sec'y of Defense, International Affairs

Stressed military and subversive threats of Soviets. We now have military pacts with 42 nations, with 4.7 million Army ground troops, 2,500 combat vessels, 32,000 aircraft. Low cost to U.S. because \$3,515 spent annually on U.S. soldier, compared to \$485.00 in Pakistan and \$420.00 in Greece. Twenty new nations have come into being since World War II, important to give them economic aid in the face of Soviet threat.

Dean C. K. Weidner, American University, Beirut

Viewpoint in Middle East is that East-West cold war is a war of extinction; if small countries must choose sides, they must choose the winner. Pointed up serious shortcomings in U.S. policy in the Middle East, such as Palestine borders.

Mr. F. J. Coulter, Chicago Association of Commerce and Industry

Summed up conference findings and recommendations. (1) Need to develop an integrated national strategy we now have none, only some stratagems; (2) serious deficiencies in education, particularly in language training, with 10,000,000 Russians studying English and 8,000 Americans studying Russian; (3) relative rates of economic growth between U.S. and USSR most important, with Soviets becoming first in science and engineering, heavy industry and armaments production; (4) U.S. business needs tax concessions to push development abroad, (5) U.S. program should be "trade, not aid."